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FM SECSTATE WASHDC
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AMEMBASSY BEIJING PRIORITY
INFO MISSILE TECHNOLOGY CONTROL REGIME COLLECTIVE PRIORITY
AMEMBASSY ISLAMABAD PRIORITY

S E C R E T STATE 130635

E.O. 12958: DECL: 09/17/2017
TAGS: [PARM](#) [PREL](#) [ETTC](#) [MTCRE](#) [KSCA](#) [CH](#) [PK](#)

SUBJECT: ADDITIONAL INFORMATION ON EFFORTS BY PAKISTAN TO
PROCURE MISSILE PRODUCTION EQUIPMENT IN CHINA (S)

REF: A. BEIJING 1101
 B. STATE 18700
 C. BEIJING 531
 D. STATE 008579
 E. 06 BEIJING 4671
 F. 06 STATE 39514

Classified By: ISN/MTR DIRECTOR PAM DURHAM
FOR REASONS 1.4 (B), (D), AND (H).

1. (U) This is an action request. Embassy Beijing please
see paragraph 4.

2. (S) Background and Purpose/Objective: Since March 2006,
the U.S. has provided PRC officials with information on
efforts by an entity affiliated with Pakistan's missile
program to procure a ring-rolling machine and possibly a flow
forming machine from sources in China (Reftels). Although
not controlled by the Missile Technology Control Regime
(MTCR), the ring-rolling machine has utility in the
production of missile airframes. The flow forming machine
can be used to create complex shapes required for the
production of missile parts and is an MTCR-controlled item.
Pakistan's missile program likely intends to use these
machines together to manufacture solid rocket motor cases.

3. (S) We want to advise China that as of June 2007, this
Pakistan-based entity continued its efforts to purchase these
machines from China and had received a bank guarantee related
to the purchase of ring-rolling and flow forming machines
from a defense-related organization in Pakistan. These
machines may ultimately be destined for the National
Development Complex (NDC), which is responsible for
developing Pakistan's Shaheen series of nuclear capable
ballistic missiles. We want to provide this latest
information to PRC authorities in order to support their
ongoing investigation of this activity and request an update
on the status of their efforts in this case.

4. (S) Action Request: Department requests Embassy Beijing
approach appropriate host government officials to deliver
talking points in paragraph 5 and report response. Talking
points also may be provided as a non-paper.

5. (S) Begin talking points/non-paper:

(Secret Rel China)

-- Since March 2006, we have discussed with you our concerns
regarding attempts by Pakistan's missile program to procure
ring-rolling and flow forming machines from entities in
China.

-- Specifically, we have brought to your attention efforts by
Pakistan's Heavy Mechanical Complex (HMC) to procure a
ring-rolling machine from China's Jinan JFMMRI Metal Forming
Machinery Engineering Company, Ltd. (JFMMRI) and a flow
forming machine from two Chinese companies, the China
National Nonferrous Metals Import Export Company (CNNMIEC)
and Beijing Machinery Import-Export Corporation (BMIEC).

-- As we have noted in our prior discussions of this case, we

believe HMC is operating as a procurement cover for Pakistan's missile program and previously provided false end-user documentation related to the ring-rolling machine to JFMMRI in an effort to evade China's export control regulations.

-- We now want to share with you additional information about this transaction to support your ongoing investigation of this activity.

-- We have learned that in early 2007, JFMMRI received a bank guarantee related to the purchase of ring-rolling and flow forming machines from one of Pakistan's defense-related organizations.

-- These arrangements were coordinated with JFMMRI through BMIEC and its sales agent Li Chuanlu.

--This ring rolling machine is not controlled by the Missile Technology Control Regime (MTCR), but can be used to produce components for missile airframes. The flow forming machine, however, is MTCR-controlled because it is computer numerically controlled and capable of forming materials into complex shapes required for the production of missile parts.

-- We understand that Pakistan's missile program likely intends to use the ring-rolling machine in conjunction with the flow forming machine to manufacture solid rocket motor cases.

-- In addition, we understand that as of June 2007, another Chinese firm, the Beijing Aeronautical Manufacturing Technology Research Institute (BAMTRI) Technology and Development Company, may be involved regarding the purchase of a flow forming machine.

-- These machines may ultimately be destined for the National Development Complex (NDC), which is responsible for developing Pakistan's Shaheen series of ballistic missiles.

-- These systems are MTCR Category I missiles inherently capable of carrying weapons of mass destruction.

-- We believe that NDC's 2007 efforts to purchase these machines are part of the same procurement attempt we initially brought to your attention in March 2006.

-- We hope this information is useful in supporting your export control efforts and ongoing investigation.

-- We look forward to continued cooperation on missile nonproliferation issues and look forward to hearing an update on the status of your investigation of this case at the earliest possible time.

END TALKING POINTS.

16. (U) Washington POC is ISN/MTR James Mayes (Phone: 202-647-3185). Please slug reporting on this or other missile nonproliferation issues for ISN/MTR and EAP/CM.

17. (U) A word version of this document will be posted at www.state.sgov.gov/demarche in the "MTAG - EAP" folder.
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End Cable Text